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Obj. Deadline: May 3, 2019 at 11:30 a.m. ET
Hearing Date: May 8, 2019 at 10:00 a.m. ET

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Attorneys for The Macerich Company

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
	:	
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	Case No. 18-23538 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**SUPPLEMENTAL CURE OBJECTION OF THE MACERICH COMPANY RELATING
TO THE (I) DEBTORS' NOTICE OF ASSIGNMENT OF ADDITIONAL
DESIGNATABLE LEASE (CURE AMOUNTS)**

**TO THE HONORABLE ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY COURT JUDGE:**

The Macerich Company (the "Landlord"), by its undersigned attorneys, hereby make this supplemental objection (the "Supplemental Cure Objection") to the Debtors' Notice of Assignment of Additional Designatable Lease [Docket No. 3298] (the "Designation Cure Notice"), and in support thereof aver:

I. BACKGROUND FACTS

1. Sears Holding Corporation, and its affiliated co-debtors (collectively, the "Debtors"), filed their voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code on October 15, 2018. The Debtors continue to operate their business and manage

their properties as debtors-in-possession pursuant to 11 U.S.C. §§ 1107(a) and 1108.¹

2. The Debtors lease retail space (the “Premises”) from Landlord pursuant to unexpired lease of nonresidential real property (the “Lease”) at the shopping center (the “Centers”) set forth on the attached Schedule A.

3. The Premises referred to in Schedule A is a premises located in a shopping center (the “Premises”), as that term is used in 11 U.S.C. § 365(b)(3). *See In Re: Joshua Slocum, Ltd.*, 922 F.2d 1081 (3d Cir. 1990).

4. In connection with the sale of the Debtors’ assets to Transform Holdco LLC, the Debtors filed and served their initial Cure Notice on January 18, 2019, which notice was supplemented on the evening of January 23, 2019. Landlords objected to the Cure Notice and Supplement Cure Notice on January 29, 2019 [Docket No. 2147] (the “Initial Cure Objection”).² The Initial Cure Objection is restated and incorporated by reference herein as if set forth in full.

5. The Debtors filed the Designation Cure Notice on April 19, 2019, which includes the Lease for Green Acres. On April 30, 2019, Landlord filed its cure objection relating to the assumption and assignment of the Green Acres Lease [Docket No. 3446] (the “Designation Notice Cure Objection”), which Designation Notice Cure Objection is incorporated herein by this reference as if set forth in full. This Supplemental Cure Objection amends and supersedes the amounts set forth in the Designation Notice Cure Objection with respect to the Green Acres Lease.

II. CURE OBJECTION

A. The Debtors’ proposed cure amounts do not provide for payment of all obligations due under the Leases.

¹ All statutory references to “Section” are to 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”). Unless otherwise specified in this Motion.

² The Debtors and Landlord extended the deadline to object to the Cure Notice and Supplemental Cure Notice to January 29, 2019 by agreement.

6. The Landlord has filed a supplemental cure objection in connection with the 4/19 Designation Notice. However, Landlord has learned that certain additional taxes will soon come due under the Green Acres Lease. Even though it is not due until May 15, 2019, in light of the amount, Landlord amends the Supplemental Cure Objection to include that tax as set forth below. A revised exhibit is also attached hereto as Exhibit A.

Landlord	Center	Store No.	Debtor's Initial Cure	Amended Debtors' Cure	Landlords' Cure ³	Ex.
Macerich	Green Acres Mall	1924	\$10,000.00	\$0.00	\$1,093,034.76	A

III. CONCLUSION

The Landlord requests that the Court (i) allow the cure amounts (subject to adjustment by the Landlords) in the amounts set forth herein, (ii) order payment of all undisputed cure amounts, with an escrow established that is sufficient to pay any remaining disputed cure amounts, when resolved by the parties or this Court, and (iii) grant such further relief as the Court deems proper.

Dated: May 3, 2019
New York, New York

Respectfully submitted,

/s/ Dustin P. Branch
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- and -

³ The Landlord's Cure does not include May 2019 rent and charges, or any other charges that are billed or come due after the filing of this Supplemental Cure Objection (except as set forth herein) or charges that are billed directly to the Debtors, including in some cases, real estate taxes. To the extent Landlord is later billed for any amount due to the Debtors' failure to pay, Landlord reserves the right to amend the Supplemental Cure Objection to include such amounts. The Debtors must timely pay all rent and other lease charges as they come due under the Lease, and the Landlord reserves the right to payment (and amend this Supplemental Cure Objection if necessary) for any amounts that come due under the Lease through the date of any cure payment.

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Attorneys for The Macerich Company

SCHEDULE A

<i>The Macerich Company</i>		
Store No. 1924	Green Acres Mall	Valley Stream, NY